

Chapter 1

Executive Summary

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

The City of Austin submits the Fiscal Year (FY) 2012-13 Action Plan as the fourth of five Action Plans in the Fiscal Years 2009-14 Consolidated Plan. An annual Action Plan is required by the U.S. Department of Housing and Urban Development (HUD) from all participating jurisdictions receiving annual entitlement grants. The annual Action Plan is the City's application to HUD for entitlement grant funding for each fiscal year. These following sections outline general issues related to the FY 2012-13 Action Plan, including available and potential resources. The final document is due to HUD no later than August 15, 2012. It is anticipated the Austin City Council will approve submission of the plan to HUD on August 2, 2012.

In FY 2012-13, the City of Austin expects to receive the following entitlement grants:

- Community Development Block Grant (CDBG);
- HOME Investment Partnerships Program (HOME);
- Housing Opportunities for Persons with AIDS (HOPWA); and
- Emergency Solutions Grant (ESG).

The City of Austin allocates local revenue to the Neighborhood Housing and Community Development (NHCD) Office for community development initiatives that encompass affordable housing and community development activities. For the convenience of its residents and community leaders and for consistency in reporting, the City of Austin has traditionally reflected local funding and accomplishments in its federal reports submitted to HUD. HUD's guidance regarding the inclusion of non-federal funding sources in an annual Action Plan is that non-federal sources are to be included if they are *reasonably expected* to be made available to address the needs outlined in the plan.

In an effort to provide the public a comprehensive investment strategy to include both federal and local funding, NHCD will amend its FY 2012-13 Action Plan budget and activity tables to include local funding sources following the Austin City Council's action on the FY 2012-13 funding allocation. The FY 2012-13 City budget is expected to be approved by the Austin City Council in September 2012. Once the City budget is approved, NHCD will notify HUD of any additional funding allocated by the City that will leverage the federal investment outlined in the FY 2012-13 Action Plan.

NHCD anticipates publishing a comprehensive funding table that includes federal and local funds in September 2012. Updated information will be available at www.austintexas.gov/housing.

NATIONAL GOALS

National Goals

Federal law requires that housing and community development grant funds primarily benefit low- and moderate-income persons in accordance with the following U.S. Department of Housing and Urban Development (HUD) goals:

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Provide a suitable living environment

This includes improving the safety and livability of neighborhoods; increasing access to quality facilities and services; reducing the isolation of income groups within areas by deconcentrating housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving natural and physical features of special value for historic, architectural, or aesthetic reasons; and conserving energy resources.

Provide decent housing

Included within this broad goal are the following: assist homeless persons in obtaining affordable housing; retain the affordable housing stock; increase the availability of permanent housing that is affordable to low- and moderate-income households without discrimination; and increase supportive housing that includes structural features and services to enable persons with special needs to live with dignity.

Expand economic opportunities

These goals encompass creating jobs accessible to low- and very low-income persons; providing access to credit for community development that promotes long-term economic and social viability; and empowering low-income persons in federally-assisted and public housing to achieve self-sufficiency.

MISSION STATEMENTS

U.S. Department of Housing and Urban Development Mission

To create strong, sustainable, inclusive communities and quality affordable homes. The U.S. Department of Housing and Urban Development (HUD) is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

Neighborhood Housing and Community Development Office Mission

To provide housing, community development, and small business development services to benefit eligible residents so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.

Austin Housing Finance Corporation Mission

To generate and implement strategic housing solutions for the benefit of low- and moderate- income residents of the City of Austin. The Austin Housing Finance Corporation (AHFC) issues single-family and multi-family bonds for the financing of reasonably priced housing and assists the City in the delivery of reasonably priced housing programs using HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds as well as other funding.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

LEAD AGENCY AND PARTICIPATING ORGANIZATIONS

Neighborhood Housing and Community Development Office

The Neighborhood Housing and Community Development (NHCD) Office is designated by the Austin City Council as the single point of contact for HUD, and is the lead agency for the administration of the CDBG, HOME, HOPWA, and ESG grant programs. NHCD administers the CDBG and HOME programs. The City Council designates the Austin/Travis County Health and Human Services Department (HHSD) to administer the HOPWA and ESG programs. The Economic Growth and Redevelopment Services Office (EGRSO) administers the Family Business Loan Program (FBLP).

NHCD is responsible for developing the 5-Year Consolidated Plan, the Annual Action Plan, and the end-of-year Consolidated Annual Performance and Evaluation Report (CAPER). NHCD develops these reports in partnership with the community, HHSD, EGRSO and guidance from the Community Development Commission (CDC).

Austin Housing Finance Corporation

Created in 1979 as a public, non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the Austin Housing Finance Corporation (AHFC) administers many of the City's housing programs. Employees of NHCD manage the funding and operations of AHFC through annual service agreements executed between the City and AHFC.

Austin/Travis County Health and Human Services Department

The Austin/Travis County Health and Human Services Department (HHSD) works in partnership with the community to promote health, safety, and well-being. HHSD is comprised of three divisions: Human Services, Public Health Services and Animal Services. HHSD administers a number of housing and public services programs identified under the Homeless/Special Needs priority on the FY 2012-13 Investment Plan.

Economic Growth and Redevelopment Services Office

The Economic Growth and Redevelopment Services Office (EGRSO) executes the City of Austin's economic development strategy, which consists of attracting corporate relocations and expansions, managing urban redevelopment, promoting international business, developing locally-owned small businesses, and developing the creative economy through arts and music. EGRSO administers the Family Business Loan Program identified under the Small Business Assistance priorities funding with Section 108 funds.

Community Development Commission

The Community Development Commission (CDC) advises the Austin City Council in the development and implementation of programs designed to serve low-income residents and the community at large, with an emphasis on federally-funded programs. The CDC is comprised of 15 members; seven members are elected through a neighborhood-based process and are appointed by the Austin City Council. The CDC also oversees the Community Services Block Grant (CSBG) program managed by HHSD. CSBG regulations require 15 members including representatives from geographic target areas: Colony Park,

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Dove Springs, East Austin, Montopolis, Rosewood-Zaragosa/Blackland, St. Johns, and South Austin. For more information on CDC's mission, visit www.austintexas.gov/boards.

Urban Renewal Board

The Urban Renewal Board (URB) oversees the Urban Renewal Agency's functions and is comprised of seven members appointed by the Mayor, with consent of the Austin City Council. The Urban Renewal Board also oversees the implementation and compliance of approved Urban Renewal Plans that are adopted by the Austin City Council. An Urban Renewal Plan's primary purpose is to eliminate slum and blighting influence within a designated area of the City.

The City Council adopted Resolution No. 971119-34 on November 19, 1997, declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area and designated this area appropriate for an urban renewal project. Subsequently, the Austin City Council approved an Urban Renewal Plan. The City of Austin and the Urban Renewal Agency, in the shared interest of completing the Urban Renewal Project, have entered into an agreement which identifies each party's roles and responsibilities for the completion of the revitalization for these two corridors.

Reports and Publications

Public documents are available on the NHCD website at: www.austintexas.gov/housing and at the NHCD office: 1000 E. 11th Street, Austin, TX, 78702, Second Floor.

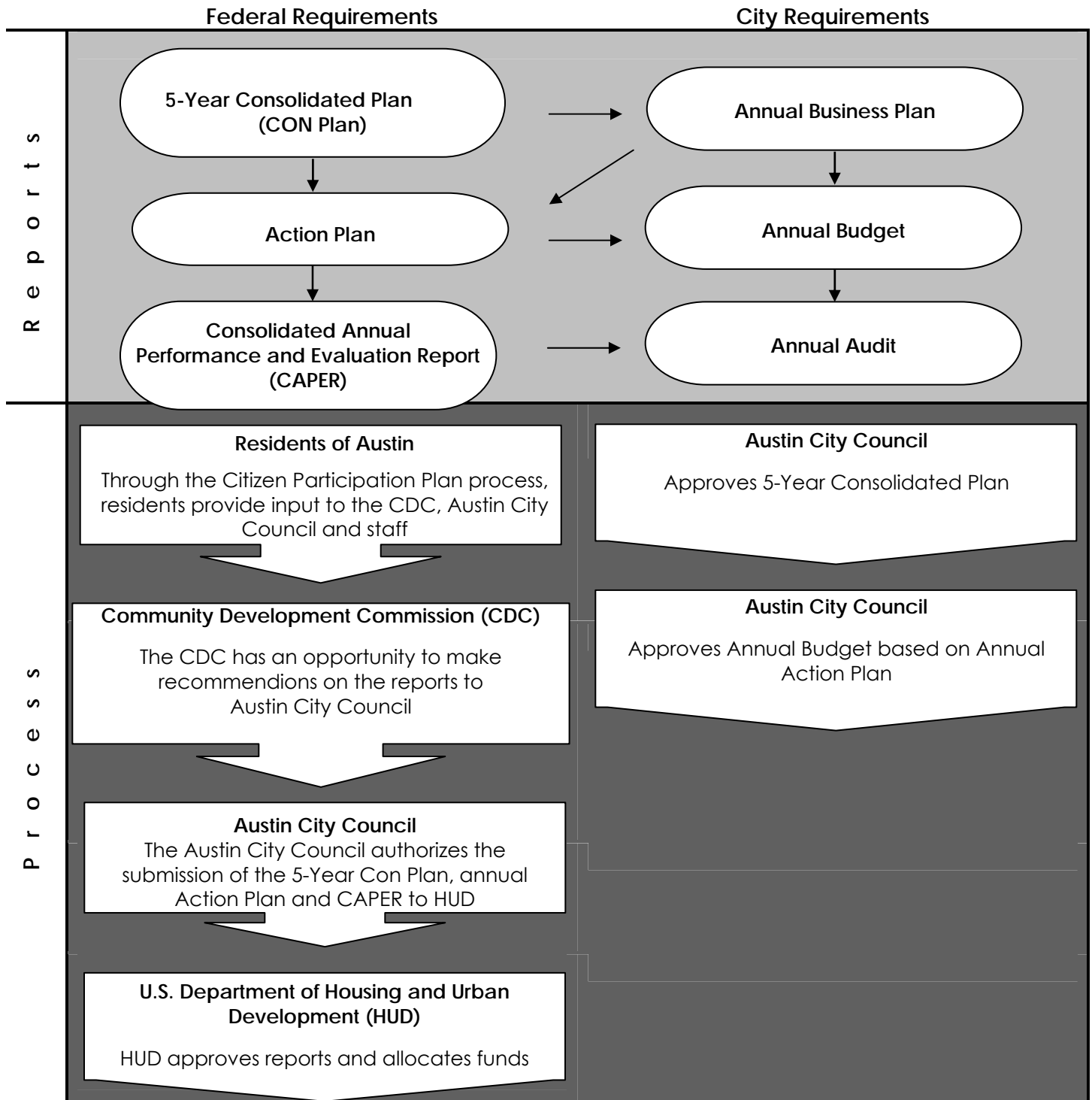
City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

HUD and City of Austin Allocation Process

Exhibit 1.1 provides a high-level outline of the allocation and reporting process for the: 5-Year Consolidated Plan, annual Action Plan, and the Consolidated Annual Performance and Evaluation Report (CAPER).

Exhibit 1.1: HUD and COA Allocation Process



City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

FY 2009-14 CONSOLIDATED PLAN PRIORITIES

Every five years, the City of Austin's Neighborhood Housing and Community Development Office (NHCD) develops a 5-Year Consolidated Plan or strategic plan outlining the City's plan to address Austin's ongoing affordable housing, community development, economic development, and public service needs.

HUD requires that the public be provided opportunities to participate in the development of the Consolidated Plan. This process contains two distinct periods - the needs assessment and draft comment period. HUD also requires the City to adopt a Citizen Participation Plan (CPP). The City of Austin's CPP provides for enhanced opportunities for public input beyond federal requirements and was adopted by the Austin City Council on March 28, 1996. Austin's CPP was last amended on December 15, 2011, to establish a more efficient process and increase public awareness and public participation in the development of these Consolidated Plan reports and administration of federal funding. When developing the FY 2009-14 Consolidated Plan, the City's goal was to ensure a collaborative process by which the community, in partnership with the City, created a unified vision of housing and community development needs, priorities, and actions. An instrumental element in this process was citizen participation. For the FY 2009-14 Consolidated Plan, the City received public input through the following:

Needs Assessment Period

- Five Public Hearings
- A Citizen Survey in English and Spanish
- Nine Stakeholder meetings
- 30-day Written Comment Period

Draft Comment Period

- Two Public Hearings
- 30-day Written Comment Period

HUD's Housing and Community Development Activities table in Exhibit 1.2 serves as a guide for funding priorities for Austin for FY 2009-14. This section summarizes the funding priorities that will be implemented to achieve the objectives and accompanying strategies for the 5-year plan. The funding priorities were established based on the housing and community development needs identified through public and stakeholder input, the housing market analysis and the analysis of special populations. The City of Austin also used the Analysis of Impediments to Fair Housing report and several other studies to form these priorities.

All the proposed funding priorities will serve very-low, low- and moderate-income households in the City of Austin. Household incomes are based on the Median Family Income (MFI) definitions updated by HUD annually. In addition to household incomes, the activities will serve special needs populations including: seniors, persons with disabilities, persons experiencing homelessness, and persons living with HIV/AIDS. Activities designated as high priority will be funded by the City of Austin in FY 2012-13. Medium priority activities will be funded if funds are available. Low priority activities will not be funded.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Exhibit 1.2: Consolidated Plan Priorities and Proposed Accomplishments

CONSOLIDATED PLAN PRIORITIES AND PROPOSED ACCOMPLISHMENTS				
Program	Program Description	Priority for Federal Funds	FY 2009-14 Con Plan Goal	Objectives and Outcomes
Homeless/Special Needs	Homeless/Special Needs Assistance provides services to the City's most vulnerable populations, including persons experiencing homelessness, persons living with HIV/AIDS, seniors, youth, children and their families.	High	48,894	Suitable Living Environment Availability/Accessibility
Renter Assistance	Renter Assistance provides assistance to renters so that rent is more affordable as well as provides tenants' rights services to equip renters with information that may allow them more stability. It also provides financial assistance for necessary rehabilitation to make homes accessible.	High	3,770	Decent Housing Availability/Accessibility
Homebuyer Assistance	Homebuyer Assistance provides counseling to renters wishing to become homebuyers and to existing homebuyers to help them stay in their homes. This category includes the Down Payment Assistance Program, which offers loans to qualifying low- and moderate-income homebuyers to help them buy their first home.	High	1,490	Suitable Living Environment Sustainability
Homeowner Assistance	Homeowner Assistance provides services for low- and moderate-income individuals who own their homes, but need assistance to make it safe, functional, and/or accessible.	High	4,419	Decent Housing Availability/Accessibility
Housing Developer Assistance	Housing Developer Assistance includes NHCD programs that offer assistance to non-profit and for-profit developers to build affordable housing for low- and moderate-income households.	High	5,677	Decent Housing Availability/Accessibility
Commercial Revitalization	Commercial Revitalization includes programs related to the revitalization of the East 11 th and 12 th Street Corridors. These programs include commercial acquisition and development, historic preservation efforts related to the Dedrick-Hamilton House as well as public facilities and parking facilities within the Corridors.	High	23,352	Creating Economic Opportunity Sustainability
Small Business Assistance	Small business assistance will provide a range of services for small business, from technical assistance to gap financing, to ensure not only the success of growing small businesses in the community, but also to encourage the creation of jobs for low- and moderate-income households.	High	223	Creating Economic Opportunity Availability/Accessibility
Public Facilities	The East 11 th and 12 th Streets Revitalization: Public Facilities will complete the development of the African-American Cultural and Heritage Facility.	Medium	0	Creating Economic Opportunity
Infrastructure	N/A	Low	0	N/A
Total			87,825	

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

EVALUATION OF PAST PERFORMANCE

The City of Austin reports its progress towards goals set in the 5-Year Consolidated Plan and Annual Action Plans in the yearly evaluation report, the Consolidated Annual Performance and Evaluation Report (CAPER). Exhibits 1.3 and 1.4 illustrates Austin's 5-year priorities, affordable housing and community development goals and actual accomplishments. The data was reported in the City's FY 2010-11 CAPER which was submitted to HUD in December 2011.

Exhibit 1.3: Consolidated Plan Goals, and Accomplishment

CITY OF AUSTIN CONSOLIDATED PLAN GOALS AND ACCOMPLISHMENTS					
Category	FY 2009-14 Consolidated Plan Goals	Proposed FY 2009-10	Actual FY 2009-10	Proposed FY 2010-11	Actual FY 2010-11
Housing, Community Development and Public Services	87,825	17,755	18,434	17,614	16,052
Total Households	87,825	17,755	18,434	17,614	16,052

Exhibit 1.4: 5-Year Priorities, Goals, and Accomplishments

5-YEAR PRIORITIES, GOALS, AND ACCOMPLISHMENTS										
Priority for Federal Funds	Population Served	Proposed FY 2009-10	Actual FY 2009-10	Proposed FY 2010-11	Actual FY 2010-11	Proposed FY 2011-12	Proposed FY 2012-13	Proposed FY 2013-14	Total Proposed FY 2009-14	% of FY 2009-14 Con Plan Accomplished
Priority 1: Homeless/Special Needs										
High	Person experiencing homelessness, elderly, persons with disabilities, at-risk youth, very low-income households, and persons living with HIV/AIDS	9,646	10,526	9,797	9,832	9,797	9,629	N/A	48,894	42%
Priority 2: Renter Assistance										
High	Persons experiencing homelessness, persons with disabilities, vulnerable populations, and very low- to moderate-income households	754	840	684	689	748	496	N/A	3,770	41%
Priority 3: Homebuyer Assistance										
High	Persons with disabilities and very low- to moderate-income	370	421	350	353	387	15	N/A	1,490	52%
Priority 4: Homeowner Assistance										
High	Persons with disabilities and very low- to moderate-income households	1,189	957	876	696	1,064	682	N/A	4,419	37%
Priority 5: Housing Developer Assistance										
High	Very low- to moderate-income households, persons with disabilities, and Community Housing Development Organizations (CHDOS)	1,057	982	958	952	973	21	N/A	5,677	34%
Priority 6: Commercial Revitalization										
High	Very low- to moderate-income households, small businesses	4,677	4,668	4,668	2,702	4,668	2,170	N/A	23,352	32%
Priority 7: Small Business Assistance										
High	Small businesses, job creation for low-income households	62	40	52	52	52	59	N/A	223	41%
Priority 8: Financial Empowerment										
High	Low- and moderate-income households	N/A	N/A	N/A	N/A	N/A	-*	N/A	-	-
TOTAL		17,755	18,434	17,385	15,276	17,689	13,072	N/A	87,825	38%

N/A = Not Applicable.

See program narratives in FY 2010-11 CAPER for explanation of why accomplishments differ from goals.

*Proposed accomplishments were unavailable for the Draft FY 2012-13 Action Plan.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

OUTCOME PERFORMANCE MEASURES

The City of Austin's outcome performance measures allow HUD to clearly demonstrate program results at the national level. Exhibit 1.5 provides the breakdown of the outcome performance measures for the FY 2012-13 Action Plan by activity, HUD objective and HUD outcome.

Exhibit 1.5: Outcome Performance Measures

OUTCOME PERFORMANCE MEASURES		
ACTIVITY	HUD OBJECTIVE	HUD OUTCOME
Homeless/Special Needs Population		
ESG – Shelter Operation and Maintenance (ARCH)	Suitable Living Environment	Availability/ Accessibility
ESG – FrontSteps –ESG12 HMIS	Suitable Living Environment	Availability/ Accessibility
ESG - CDU Rapid Rehousing Services	Suitable Living Environment	Availability/ Accessibility
ESG - Rapid Rehousing - Housing Relocation & Stabilization Services	Suitable Living Environment	Availability/ Accessibility
ESG – DACC – ESG11 HMIS	Suitable Living Environment	Availability/ Accessibility
ESG – DACC – ESG11 Rapid Rehousing - Housing Relocation & Stabilization Services	Suitable Living Environment	Availability/ Accessibility
HOPWA –STRMU	Decent Housing	Affordability
HOPWA – Tenant-Based Rental Assistance (TBRA)	Decent Housing	Affordability
HOPWA – Permanent Housing Placement (PHP)	Decent Housing	Affordability
HOPWA – Short Term Supported Housing (STSH)	Decent Housing	Affordability
HOPWA – Transitional Housing Assistance	Decent Housing	Affordability
HOPWA – Supportive Services	Decent Housing	Affordability
Child Care Services	Suitable Living Environment	Availability/ Accessibility
Senior Services	Suitable Living Environment	Availability/ Accessibility
Youth Support Services	Suitable Living Environment	Availability/ Accessibility
Renter Assistance		
Tenant-Based Rental Assistance (TBRA)	Decent Housing	Affordability
Tenants' Rights Assistance	Suitable Living Environment	Availability/ Accessibility
Architectural Barrier Removal Program – Rental	Suitable Living Environment	Availability/ Accessibility
Homebuyer Assistance		
Housing Smarts	Suitable Living Environment	Availability/ Accessibility
Down Payment Assistance	Decent Housing	Availability/ Accessibility
Homeowner Assistance		
Architectural Barrier Program - Owner	Suitable Living Environment	Availability/ Accessibility
Emergency Home Repair Program	Decent Housing	Sustainability
Homeowner Rehabilitation Loan Program	Suitable Living Environment	Sustainability
Lead Smart Program	Suitable Living Environment	Sustainability
G.O. Repair! Program	Suitable Living Environment	Sustainability
Holly Good Neighbor	Suitable Living Environment	Sustainability
Housing Developer Assistance		
Rental Housing Development Assistance	Decent Housing	Affordability
Acquisition and Development	Decent Housing	Affordability
CHDO Operating Expenses Grants	Decent Housing	Affordability
Developer Incentives Program	Decent Housing	Affordability
Commercial Revitalization		
East 11th/12th Streets - Acquisition & Development	Creating Economic Opportunity	Sustainability
East 11th/12th Streets - Historic Preservation	Creating Economic Opportunity	Sustainability
East 11th/12th Streets - Public Facilities	Creating Economic Opportunity	Sustainability
East 11th/12th Streets - Parking Facilities	Creating Economic Opportunity	Sustainability
Small Business Assistance		
Community Development Bank	Creating Economic Opportunity	Availability/ Accessibility
Microenterprise Technical Assistance	Creating Economic Opportunity	Sustainability
Family Business Loan Program (FBLP)	Creating Economic Opportunity	Sustainability
Financial Empowerment		
Individual Development Account (IDA)	Creating Economic Opportunity	Availability/ Accessibility

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

FY 2012-13 ACTION PLAN PUBLIC INPUT PROCESS

The Action Plan is a one-year strategic plan that outlines the community's needs, priorities, local and federal resources, and proposed activities for the upcoming fiscal year. The City's FY 2012-13 Action Plan must show progress towards meeting the established goals in the FY 2009-14 Consolidated Plan. Participating jurisdictions (PJs) that receive entitlement grants must develop a Citizen Participation Plan (CPP). The CPP describes efforts that will be undertaken to encourage citizens to participate in the development of its federal reports: 5-Year Consolidated Plan, annual Action Plan, and the Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Austin's CPP requires that the City conduct two public hearings during the community needs assessment period. There is a 30-day public comment period on the draft Action Plan – the City will provide the draft report electronically online and will provide hardcopies at ten community centers. During the 30-day public comment period, there are two additional public hearings on the draft Action Plan. The public hearings are held before the Community Development Commission (CDC) and before the Austin City Council.

Community Needs Assessment Period (March 19 - April 27, 2012)

In developing the annual Action Plan, community feedback is instrumental in setting priorities for the use of funds. The FY 2012-13 Action Plan community engagement process was especially important because of further reductions in federal funding. NHCD worked closely with the City's Corporate Public Information Office (CPIO) to develop an extensive community engagement and outreach strategy with the intent to increase awareness of the community needs assessment period, gain interest and increase public participation. The collaborative efforts of NHCD and CPIO resulted in the development of a FY 2012-13 Action Plan web site, an online survey, and the design and implementation of various marketing and promotional materials highlighting ways to participate in the community needs assessment.

The community needs assessment provided a variety of channels for the community to participate. To view the needs assessment, "6 Ways to Take Action" flyer, visit page 1-12.

6 Ways to Take Action

Help the City of Austin prioritize resources for low-income residents.



1. Lend a Word

What is the most critical need facing your community? Submit your idea online and check back in April to see what Austinites are saying.

2. Rank Your Priorities

What should be a priority? Helping residents buy and keep a home or invest in local businesses and new jobs? Tell us what you think. Rank priorities online.

3. Create a Conversation:

- Financial Empowerment in Austin - March 30, 2012
- Healthy Homes & Home Repair - April 13, 2012
- Affordable Housing Across Austin - April 24, 2012

Times and locations: www.austintexas.gov/housing.

4. Host a Meeting

Be a community needs champion. We invite you to host a brief exercise at your next neighborhood association meeting, professional gathering, church get-together, PTA event or any other group gathering. We will provide you with a kit and activities for participants to discuss community needs in Austin. Find details online.

5. Voice Your Ideas

Public hearings will be conducted before the Community Development Commission and the Austin City Council on the City's Community Needs Assessment and the Draft Action. Find dates and locations online.

6. Give Us Comments

Submit comments by email to NHCD@austintexas.gov or by mail to: NHCD Attn: Action Plan, P.O. Box 1088, Austin, TX 78767. Deadline to submit comments is **April 27, 2012**.

Find details on 6 Ways To Take Action at
www.austintexas.gov/housing



Neighborhood Housing and
Community Development

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

6 Ways to Take Action

The following provides an overview of these six ways for the community to take action and participate.

1. *Lend a Word*

NHCD offered an online and hard copy “Take Action: Help the City of Austin Prioritize Resources for Low-Income Residents,” prioritization activity asking Austin residents to prioritize the City’s seven Investment Plan priority categories. As a component of this activity, participants were asked, “in one word or phrase, what is the most critical need facing your community?”

The purpose was to gather responses from this question and generate a “word cloud” or an image that is created through the use of words and to provide a greater prominence of the overall themes of community input. NHCD’s objective in posing this question was to provide a snapshot on what the Austin community considers is the most critical need facing the community. 1.6 displays the ideas shared by participants - a variety of ideas were submitted on this topic including affordable housing, job creation, employment, ending homelessness, and education. This educational and outreach exercise is an important visual tool to increasing awareness about the importance of affordable housing and is helpful in identifying how investment benefits Austin residents.

Exhibit 1.6: Austin's Word Cloud



City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

2. *Rank Your Priorities*

NHCD also coordinated a prioritization activity as a part of its community needs assessment process, "Take Action: Help the City of Austin Prioritize Resources for Low-Income Residents." This activity was administered at Board & Commission meetings, Community Conversations events, public hearings, at enhanced outreach opportunities, and in an online survey format at:

www.neighborhoodhousing.austintexas.icanmakeitbetter.com/ideas.

The prioritization activity provided an opportunity for the participants to prioritize FY 2012-13 funding for affordable housing, community development, economic development, and public services. Each participant was asked to rank NHCD's Investment Plan categories in priority order, with "1" being most important. The Investment Plan outlines affordable housing, community development, economic development, and public service activities under seven categories:

- o Homeless/Special Needs,
- o Renter Assistance,
- o Homebuyer Assistance,
- o Homeowner Assistance,
- o Housing Developer Assistance,
- o Commercial Revitalization, and
- o Small Business Assistance.

Exhibit 1.7 illustrates the results from the prioritization activity provided to participants. Staff calculated the results based on weighted sums in order to provide a snapshot of the results. The prioritization was allotted fairly equally across all Investment Plan categories, with Homeless/Special Needs Assistance and Housing Developer Assistance as the top ranking priority areas. There were 227 individuals who participated and completed the Take Action prioritization activity. In addition, participants were asked to identify what the most critical need facing their community.

Below are the enhanced outreach events where NHCD offered the prioritization activity:

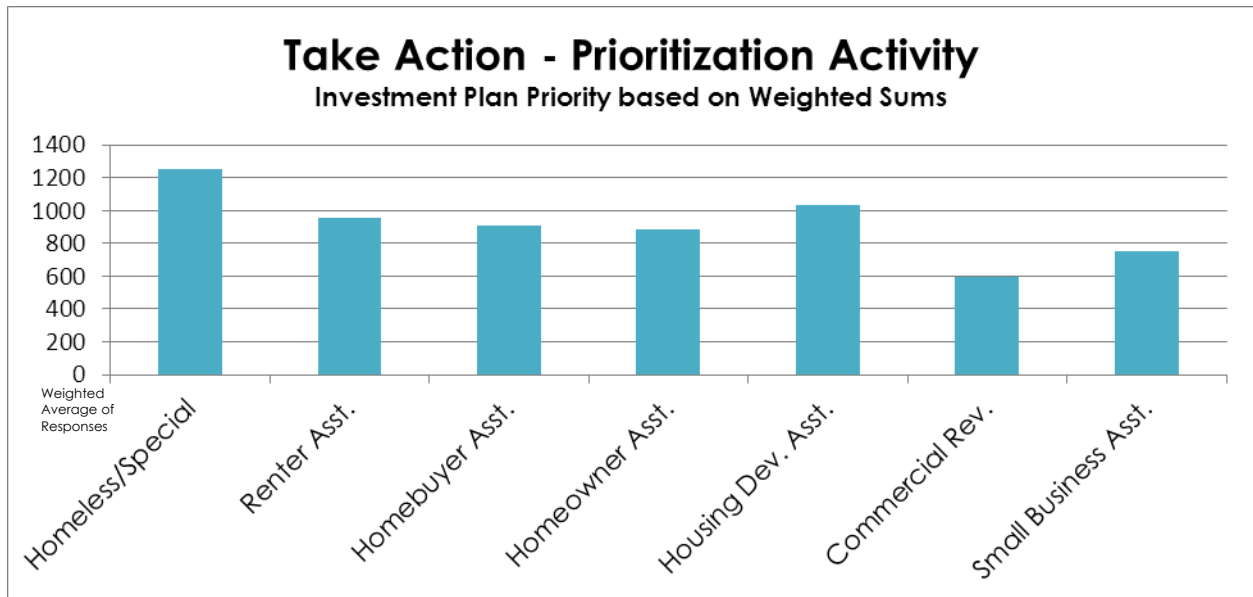
- o February 23, 2012: My Health/My Voice Forum,
- o April 10, 2012: Austin Tenants' Council Fair Housing Event,
- o April 24, 2012: Community Conversation - Affordable Housing Across Austin, and
- o FY 2012-13 Action Plan Champion meetings.

To view a copy of the prioritization activity, visit page 1-16.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Exhibit 1.7 Take Action: Prioritization Activity



Take Action

Help the City of Austin prioritize resources for low-income residents.

Prioritization Activity

Each square represents an investment area for the City's Neighborhood Housing and Community Development Office. Place numbered sticker dots in your priority order, with "1" being most important.

Assisting homeless and special needs population

Provide housing, financial services and supportive services to persons experiencing homelessness or with special needs and considered Austin's most vulnerable populations.

Assisting renters to improve living conditions

Provide tenant-based rental assistance, utility and security deposits; and home repairs to modify the rental units of low-income making homes more accessible.

Offer support services that educate renters and promote housing rights.

Helping residents buy and keep their home

Expand the resources available for low- to moderate-income renters wanting to become homeowners through down-payment assistance.

Provide homeownership, financial literacy, and foreclosure prevention counseling to low- and moderate-income households.

Providing home repairs and safety improvements

Assist low- and moderate-income homeowners with necessary home repairs to make their homes safe, habitable and accessible allowing owners to stay in their homes and improving the City's aging housing stock.

Funding developers/partners to create affordable housing

Encourage development of affordable rental and homebuyer housing, including permanent supportive housing, for low- and moderate-income households through developer incentives.

Commercial redevelopment and revitalization

Provide funding and technical assistance to eligible organizations to improve the economic viability of neighborhoods and promote the creation of jobs.

Investing in local businesses and new jobs

Help small businesses grow and prosper through financing and technical assistance to improve the economic viability of neighborhoods and promote the creation and/or retention of jobs.

In one word or phrase, what is the most critical need facing your community?

affordable jobs housing self-sufficiency
ACTION PLAN
development economic special needs
serving



Thank you very much for your participation.

www.austintexas.gov/housing

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

3. *Create a Conversation*

For the FY 2012-13 Action Plan and in preparation of the FY 2014-19 Consolidated Plan, NHCD hosted a series of three Community Conversations focusing on key areas that brought together Austin residents, stakeholders, and City leaders to share ideas on important policy and program areas responsive to community needs.

The key areas of focus included financial education and empowerment tools in Austin; home repair programs and creating healthy homes and lifestyles for Austinites; and a policy discussion to better achieve affordable housing in all parts of Austin.

These Community Conversations provided an opportunity for stakeholders and City staff to discuss enhancements, service delivery, best practices, and hear from local and national experts in each subject area.

Financial Empowerment in Austin!

The Financial Empowerment in Austin! community conversation brought together 32 people representing 20 local agencies whose missions and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance for personal or professional growth.

The overall theme that was highlighted throughout the dialogue was the need for enhanced coordination between all agencies. Agencies stated that there are a wealth of programs and innovative ideas that local agencies provide; however, together, there needs to be better coordination and enhanced communication ensuring clients' needs are met.

Organizations that participated in the conversation included: Austin Area Urban League, Austin Community College, City of Austin, ClearPoint, Cornerstone Financial Education, Austin City Council Member Bill Spelman's Office, Financial Literacy Coalition, Foundation Communities, Frameworks CDC, Frost Bank, Austin Habitat for Humanity, Housing Authority of the City of Austin, LifeWorks, Opportunity Texas, PeopleFund, SafePlace, Texas Department of Housing and Community Affairs, and United Way Capital Area.

Healthy Homes & Home Repair

The Healthy Homes & Home Repairs community conversation brought together over 25 key stakeholders whose efforts are dedicated to providing critical home repair services to help keep residents' homes hazard-free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin.

The dynamic conversation provided an opportunity for several participants to voice their unique perspectives and offer insight on how the City can enhance partnerships, create a more comprehensive approach in offering services to low-income residents and streamline referral processes to ensure a more prompt and efficient repair process. The consistent theme taken from the conversation was the need for a comprehensive assessment tool

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

that can be utilized by the City of Austin and local service providers to identify households in need of home repair. In addition, there were requests for more collaboration and consultation among the City of Austin and local agencies when designing and launching new home repair programs. Professionals shared knowledge of other models and examined how those practices could enhance service delivery.

Organizations that participated in the conversation included: Austin Area Urban League, Austin Habitat for Humanity, Community Action Network, Easter Seals of Central Texas Community Housing Services, Home Repair Coalition, Meals on Wheels and More, and Women.Design.Build.

Affordable Housing Across Austin

The Affordable Housing Across Austin community conversation brought together community members, City leaders and representatives from other municipalities whose efforts are dedicated to ensuring affordable housing is geographically dispersed throughout Austin. About 70 individuals and representatives from local organizations participated in this event.

The conversation featured presentations on current and past City efforts for geographic dispersion: Council Member Laura Morrison gave an overview of the Council direction to create a policy recommendation; Community Development Commission, Dr. Elizabeth Mueller discussed the historical context and value of the deconcentration of poverty, and NHCD's Assistant Director Rebecca Giello provided the audience with the City's efforts to research and develop a recommendation.

Panelists who provided insight on successes and challenges in implementing housing siting policies included:

- Center for Housing Policy – National Overview,
- City of Dallas – Housing Element,
- City of Raleigh – Scattered Site Policy,
- City of San Jose – Siting Policy,
- City of Charlotte – Housing Location Policy.

For more information on the Affordable Housing Siting Policy Interim Update, visit Appendix VIII.

Organizations that participated in the conversation included: Accessible Housing Austin!, African American Resource Advisory Commission, Austin Independent School District, American YouthWorks, Austin Neighborhoods Council (ANC), ARM Holdings (The Architecture for Digital World), Austin Restoration Ministries, Austin Tenants' Council, Austin Travis County Integral Care(ATCIC), Blackland Community Development Corporation

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

(BCDC), City of Austin, Community Development Commission (CDC), Child Inc., Downtown Austin Alliance, Economic Growth Business Incubator (EGBI), Ending Community Homelessness Coalition (ECHO), Foundation Communities, Foundation for the Homeless, Frameworks CDC, FrontSteps, Inc. Guadalupe Neighborhood Development Corporation (GNDC), Goodwill Industries of Texas, Housing Authority for the City of Austin (HACA), LifeWorks, Meals on Wheels and More, National Alliance on Mental Illness, Parent Leader, Project Transitions, Texas Masonry Council, Texas State University, Travis County, Trinity Center Austin, Texas State Affordable Housing Corporation (TSAHC), and University Hills Neighborhood Association (UHNA).

To view a copy of the Community Conversation event flyer, visit page 1-20. To view the following Community Conversation materials, visit Appendix I.

Community Conversations

You're
Invited

on prioritizing Austin's
community needs

Financial Empowerment in Austin!

Friday, March 30, 9 am - 10:30 am

Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Conversation topics will include financial education, and homebuyer education, including the City's down payment assistance program. Learn about programs underway in Austin and join in the casual dialogue to ensure NHCD's programs are responsive to residents' needs.

Healthy Homes & Home Repair

Friday, April 13, 9 am - 10:30 am

Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Often, maintaining or making needed repairs on a house over time can be out of reach for Austin's low-income households. Join NHCD to learn about existing programs and discuss ideas for healthy homes for Austinites.

Affordable Housing Across Austin

Tuesday, April 24, 9 am - noon

Austin City Hall, City Council Chambers, 301 W. 2nd St.

The City continues to explore, through important policy discussions, how to ensure affordable housing in all parts of Austin. Other communities have tried different strategies: Hear how other communities achieve affordable housing and weigh in on strategies best for Austin!

RSVPs requested to NHCD@austintexas.gov.

Questions? Contact Patricia Bourenane at (512) 974-1057 or patricia.bourenane@austintexas.gov.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

4. *Host a Meeting*

NHCD invited Austin residents to be community needs champions by hosting a brief prioritization activity at a neighborhood association meeting, professional gathering, Parent-Teacher Association (PTA) event or any other group gathering.

In addition, NHCD staff briefed the following Board & Commissions and local agencies on the annual Action Plan process and invited the commissioners to participate in furthering outreach for NHCD by hosting meetings and administering a prioritization exercise: African American Resource Advisory Commission (AARAC), Community Development Commission (CDC), Early Childhood Committee, Ending Community Homelessness Coalition (ECHO), Mayor's Committee for Persons with Disabilities, and the Urban Renewal Board (URB).

NHCD recognized five volunteers and local agencies as its FY 2012-13 Action Plan Champions and celebrated Community Development Week on April 10, 2012, during the Austin City Council meeting. Local agencies and individuals were recognized for continued support to promote the City's outreach effort to education the community to participate in the community needs assessment process. For more information, visit Appendix I.

5. *Voice Your Ideas*

The input provided at community needs assessment public hearings is used to develop the Draft FY 2012-13 Action Plan. Two public hearings were conducted, one before the Community Development Commission (CDC) and one before the Austin City Council to receive public input.

Community Needs Assessment Public Hearings

- March 27, 2012: Community Development Commission (CDC)
- April 5, 2012: Austin City Council

A summary of the public input received during the Community Needs Assessment and 30-Day Draft Comment period is available in Appendix I or online at www.austintexas.gov/housing.

6. *Give Us Comments*

In addition to the public hearings and meeting forums that provided opportunities for the Austin community to provide input, NHCD accepted comments submitted via postal mail and email. (NHCD@austintexas.gov). To view the public input received along with NHCD's analysis, visit Appendix I.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

FY 2012-13 Action Plan Public Notification

The City's outreach efforts targeted the general public as well as areas of low-income families and racial/minority concentration. All announcements were published in English and Spanish. In addition, to further outreach efforts and target special populations, NHCD staff highlighted the annual Action Plan process before City of Austin Boards & Commissions and external agencies with missions serve special populations.

The City notified the public about the Community Conversation, public hearings, and “6 Ways to Take Action,” through the City's Austin Energy PowerPlus Newsletter, utility bill insert, which was mailed to approximately 410,000 Austin residents and published in English and Spanish. This insert to residential utility bills is a targeted and direct mail piece that serves to connect with a significant number of Austin renters and homeowners throughout Austin. To view the PowerPlus Newsletter, visit Appendix I.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

COMMUNITY NEEDS ASSESSMENT

Data Profile Update

Austin's Citizen Participation Plan directs NHCD staff to gather community input and statistical data to prepare the draft Action Plan. With the release of Census 2010 data as well as 5-year estimates for the American Community Survey (2005-09), the following data profile is provided as an update to statistics included in the market analysis section of the FY 2009-14 Consolidated Plan.

Population

Since 1990 the City of Austin's population has continued to grow at a consistent and rapid pace. In 1990 Austin's population was 465,622. As of 2012 it is estimated that 824,205 people now reside in Austin.¹ Population forecasts show Austin topping one million residents by 2025.²

Demographics

The City of Austin has reached a unique threshold in terms of racial composition, by becoming a "majority-minority" city. This means that in Austin, no ethnic or demographic group exists as a majority.³ The Anglo (non-Hispanic white) share represents just fewer than 49 percent of the population in 2010. The Hispanic (Latino) share has steadily increased since 1990 to 35 percent of the population in 2010. The Asian community has also grown considerably in the last ten years. In 1990, the Asian community represented about 3.3 percent of the population - in 2010 this share has grown to just over 6 percent of the population. African American's comprised about 10 percent of Austin's population in 1990. In 2010, the African American percentage has dropped to just under eight percent and is expected to continue to slide as the city continues to increase in population.⁴ African Americans as well as other demographic groups have migrated to surrounding areas outside the city limits - the suburbs and neighboring communities. The geographical dispersion of affordable housing has also moved into the suburbs as the Austin housing market has become more expensive. This also accounts for the migration of residents to the suburbs.

Household Types

According to the 2010 Census, approximately 48 percent of Austin households are considered non-family households. These are persons living together that are un-related -

¹ City of Austin Planning and Development Review Department. Demographics: Population & Land Area Summary, 2012 URL: <http://austintexas.gov/demographics>.

² Robinson, Ryan, City of Austin Planning and Development Review Department. Austin Area Population Histories and Forecasts. (Austin, TX)

³ Robinson, Ryan, City of Austin Planning and Development Review Department. The Top Ten Big Demographic Trends in Austin, Texas. (Austin, TX)

⁴ U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: <http://www.census.gov/acs/www/>

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

for instance, they may be un-related roommates or other households who reside together but are not related by blood or marriage. Austin's large student population feeds into the non-family household share.

The remaining 52 percent of Austin's households are comprised of: married couples with children (18 percent); married couples without children (19 percent); single parents (nine percent) and; six percent are categorized as other family households.⁵

Poverty

Poverty levels have also increased in Austin. In 1990, the poverty level was slightly below 18 percent. In 2000, the rate dropped to just above 14 percent; however, in 2010, the rate climbed to just over 18 percent. Within poverty, some groups are disproportionately represented, especially in the areas of race and ethnicity, age, and education. The Community Action Network (CAN) has found that 27 percent of all Hispanics, 21 percent of all African Americans, 10 percent of all Asians, and 10 percent of all Anglo (non-Hispanic whites) live in poverty in the City of Austin.

Housing Gap Analysis

Many local reports build upon data and conclusions released in the City's Comprehensive Housing Market Study (2009), particularly the housing gap analysis completed as a component of the study. Exhibit 1.8 below outlines the estimated housing gap by income level and housing continuum category. Exhibits 1.9 and 1.10 outline the projected housing production necessary to serve future projected growth for the estimated gaps in rental and homeownership products.

This analysis was first published in the FY 2011-12 Action Plan. The statistical data continues to serve as a basis in identifying and addressing community needs for FY 2012-13. NHCD used this data along with feedback received during the community needs assessment period to develop long-term goals and strategies outlined in this plan.

⁵ U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: <http://www.census.gov/acs/www/>

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Exhibit 1.8: Austin Housing Gap Analysis

Housing Type	Income Level Served	Number of Occupants	Number of Units	Estimated Housing Gap ⁶	Notes
Rental Housing	0-30% MFI	48,287	9,375	39,912 units	Supportive housing units are included as a portion of the total estimated housing need for rental housing units serving households at or below 30% MFI. For more information on needs for specific types of supportive housing, see Exhibit 8 below.
Rental Housing	31-50% MFI	37,140	88,392	N/A	While there is no estimated housing gap at this income level, households at this income level are likely to experience difficulty finding adequate rental housing due to the demand placed upon the market renters in other income categories (primarily <30% MFI).
Rental Housing	51-80% MFI	35,543	68,956	N/A	While there is no estimated housing gap at this income level, households at this income level are likely to experience difficulty finding adequate rental housing due to the demand placed upon the market renters in other categories (primarily >80% MFI)
Rental Housing	81-120% MFI	26,788	11,840	14,948 units	
Rental Housing	>120% MFI	17,893	1,443	16,450 units	
Home-ownership	0 - 50% MFI	24,590	9,568	15,022 homes	
Home-ownership	51-80% MFI	21,872	30,877	N/A	No estimated housing gap at this income level.
Home-ownership	81-120% MFI	27,319	40,212	N/A	No estimated housing gap at this income level.
Home-ownership	>120% MFI	67,628	65,551	2,077 homes	
Home Repair	<50% MFI	N/A	N/A	13,286 homes	Imputed figure based on the analysis conducted in the <i>Housing Repair Needs Assessment (2011)</i> report.

Sources: Austin Comprehensive Housing Market Study (2009), Housing Repair Needs Assessment (2011).

⁶ Based on gap analysis conducted in the Comprehensive Housing Market Study (2009). The gap analysis was conducted by comparing the number of renters/homeowners from the American Community Survey data (2007/3-year estimates) with the number of available renter or homeownership units available at a price that does not exceed 30% of the individual's imputed income. Because the number of extremely low income persons at or below 30% MFI vastly exceeds the number of rental units available to that population, it is reasonable to expect that a majority of those renters are indeed renting but are spending an amount greater than 30% of their income for housing. In other words, low-income renters who are cost-burdened are competing with other households in higher income brackets for available rental housing, increasing demand on the overall rental housing market. A portion of the individuals in the extremely low-income category may also be homeless, precariously housed, or living in substandard housing.

City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

Exhibit 1.9: Estimated Production to Meet Forecasted Demand for Extremely Low-Income Renters (Units Renting at \$425 and Less)

	Units per year	Total units needed by 2020
Units to meet forecasted demand ⁷	1,045	12,540
Units to meet forecasted demand + achieve 10% reduction in gap ⁸	1,370	16,440

Source: Comprehensive Housing Market Study (2009).

Exhibit 1.10: Estimated Production to Meet Forecasted Demand for Homeownership at Affordable Levels

	Units per year	Total units needed by 2020
8% at \$113,000 and less (likely small condos)	264	3,200
13% at \$113,000 - \$160,500 (mix of condos and townhomes)	428	5,200
21% at \$160,500 - \$240,400 (range of housing options)	692	8,400

Source: Comprehensive Housing Market Study (2009).

⁷ Assumptions for this estimate include twelve years of City growth projections (2008-2020) and no change in the homeownership rate.
⁸ Ibid.

City of Austin Fiscal Year 2012-13 Action Plan

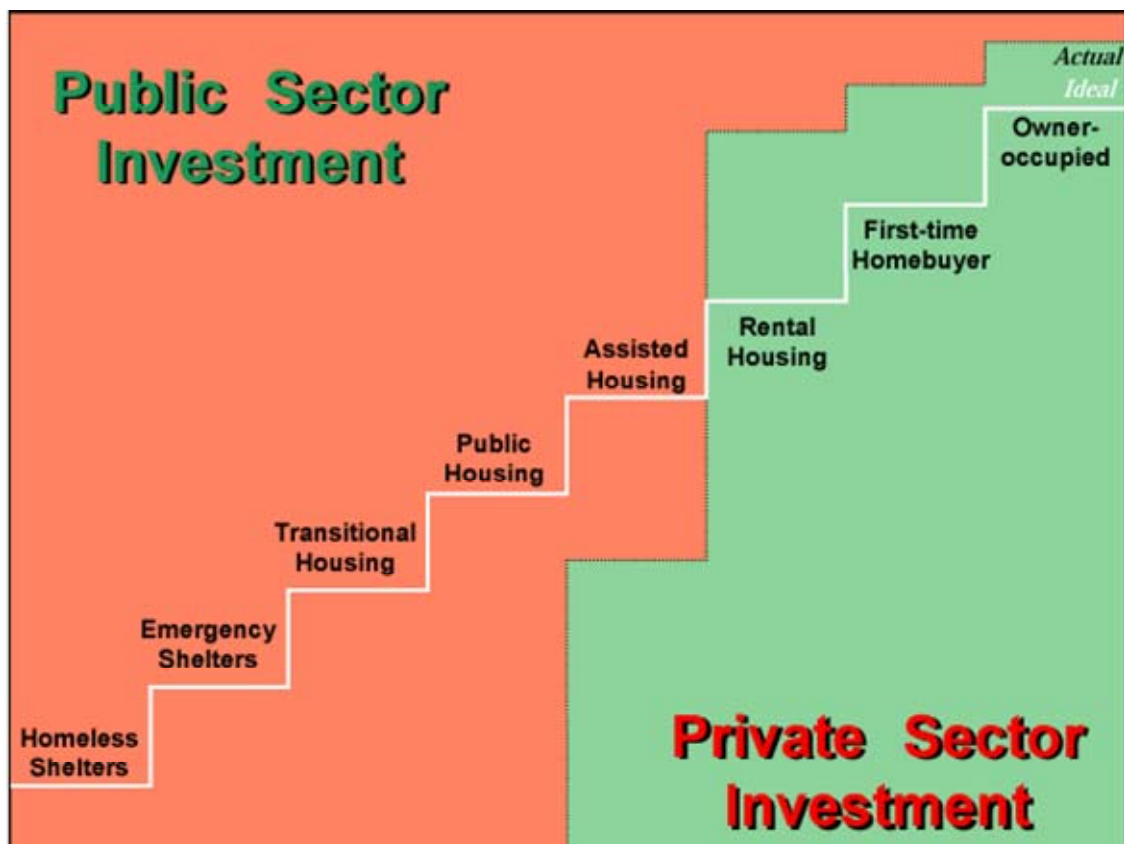
Chapter 1: Executive Summary

CITY OF AUSTIN'S HOUSING CONTINUUM

The objective of the Housing Continuum is to educate the community that an adequate affordable housing stock can only be provided if both the private and the public sectors collaborate along each step of the continuum. The steps on the left of the image reflect housing that requires increased public subsidy. As the continuum moves to the right, the housing products and goals, shown as steps along the continuum, are increasingly funded through the private sector or market rate developers. The continuum reflects the ideal that both the private and public sector must participate to respond to a community's housing needs.

The community needs assessment process continues to affirm the need for investment along the housing continuum for very-low to moderate-income persons

Exhibit 1.11: Housing Continuum



City of Austin Fiscal Year 2012-13 Action Plan

Chapter 1: Executive Summary

PROPOSED NEW FEDERAL ENTITLEMENT GRANT FUNDING

In FY 2011-12, the City of Austin received \$12.3 million from HUD through four entitlement grants. Austin's preliminary allocation for FY 2012-13 is \$10.8 million, a 12 percent decrease from FY 2011-12. The four entitlement grants provided through HUD are determined by statutory formulas: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Emergency Solutions Grant Program (ESG); and Housing Opportunities for Persons with AIDS (HOPWA).

Exhibit 1.12: Proposed New Federal Entitlement Grant Funding

FY 2012-13 PROPOSED NEW FEDERAL ENTITLEMENT GRANT FUNDING	
Federal Entitlement Grants	Amount
Community Development Block Grant (CDBG)	\$6,692,838
HOME Investment Partnership Program (HOME)	\$2,429,177
Emergency Solutions Grant (ESG)	\$595,612
Housing Opportunities for Persons with AIDS Program (HOPWA)	\$1,100,219
Total Federal Funds	\$10,817,846